Taxation without representation

The U.S. Congress makes laws, but the bureaucracy of government regulates by fiat.

After months and years of discussion and negotiation, our government came up with the RBRVS, a revision of the relative value system of payments to physicians based not only on procedures but incorporating cognitive services that are very much a part of the art of ameliorating patients' concerns over their illnesses, injuries and crippling degenerative conditions.

This same government of lay and supposedly wise men and women, realized that things medical needed the expertise that only physicians can supply. Therefore, the Congress, with the approval of the Administrative Branch — HCFA (Health Care Financing Administration) — mandated that Harvard University and its medical faculty, under the direction of Professor Hsiao, in conjunction with organized medicine exemplified by the AMA, come up with the Harvard RBRVS.

This took a great deal of effort and the expenditure of much energy on the part of our profession in attempting to bring together as fair a system of remuneration as was possible, considerating the large disparity between what a cardiovascular surgeon or a neurosurgeon charges the patient as compared with what a rural GP or an internist charges.

The AMA accepted it.

The Congress enacted the law embodying these agreements.

The reader is surely aware by now that the input from the governmental side was, and will be, in the direction of reducing the costs of medical care as illustrated by the current level of 12% of the nation's Gross National Product (GNP). The Market Place, ie big and small business, employers and labor unions, the powerful insurance industry are all on the same side as government: The costs of medical care *must* be reduced (this fiat is larded over with the platitude: "But the quality of medical care must be maintained. The two are incompatible.")

Our profession is dedicated to the principle (a) that quality of care is uppermost, (b) that the cost to the patient needs to be reasonable and commensurate with the anticipated benefit and (c) that access to basic, primary care by all people, rich or poor, should have no obstacles put before it.

HCFA has proposed a principle of "budget neutrality" which is an euphemism for implementing a system of payments that, in its national totality, would maintain a medical care budget in this country no higher — and no lower — than what it is now for the care of those covered by Medicare and Medicaid (this, of course, would filter down to all private and insured systems).

Now comes the "fiat" from the Administration. The platitude of "input from the people" has been given a deadline of 4 August 1991. We all know that "public hearings" — known in Hawaii as Shibai — are, at all levels of government, akin to Marie Antoinette contemptuously telling the people of France, before she was ultimately beheaded by the enraged populace, "If they don't want to accept the proffered bread, let them eat cake."

Breaking its promise on budget neutrality, the Administration has proposed regulations, recorded in the Federal Register of 5 June, that mandate an across-the-board 16% reduction in the CF — the conversion factor that translates relative values for medical services into dollar amounts.

We are resigned, more or less, to the fact that the increase in remuneration at the low end of the scale, the cognitive services dispensed by family physicians, internists, pediatricians et al, will not be as dramatic as the RBRVS first projected.

At the high end of the scale, the surgeons et al are already severely to be restricted in what they may charge their Medicare and Medicaid patients.

To put on top of this a 16% across-the-board reduction in payments is, as we headlined above: Taxation without representation.

The stated regulations are very complex. We had difficulty understanding the presentation made by our leaders at the HMA Council meeting of 5 July — to be repeated many times at County Medical Society meetings and at hospital staff meetings; to be promulgated by mail to all physicians in Hawaii, whether they are members of HMA or not.

In essence, the 16% cut in the dollar value of the CF includes a 3% cut that the Administration assumes will make up for the increase in the number of visits or procedures that it cynically projects all physicians will do (to make up for their loss in revenue). Government has given this a moniker: "Behavioral offset." AMA and the HMA are certain that there is no evidence for this projection; it did not occur during the wage-price freeze in the 1970s.

The 16% cut also includes 6% — 2% each year through 1994 — because: "For every 1% adjustment [in physician payment to maintain budget neutrality], the CF must be reduced by 3% because in 1992 the CF represents only a third of the total Medicare payment." Can the reader figure that one out, we ask?

The "transitional formula" mentioned in the FedReg is another cut, an incomprehensible justification for governmen-

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EDITORIAL *(Continued from page 274)*

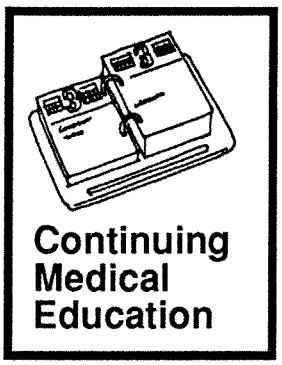
tal policies in this regard.

We close this lengthy editorial by paraphrasing a famous saying: Now is the time for all good doctors to come to the aid of their noble profession and to join in a mighty howl of betrayal by our government!

It should be obvious to everyone — and each of us needs to emphasize this — that the net result would be a major obstacle to "access to medical care"; it will be our patients who will suffer the most.

The physician has seen his costs of doing business rise to heights that make it not feasible for him to see patients, and this on top of the debt of $100,000 that accompanies his graduation from school and training nowadays, which he must pay off. His share of Medicare and Medicaid patients, for services to whom the government is often paying the physician less than it costs him in overhead, is increasing as these segments of our population are increasing in numbers. The physician is being forced to consider an 8-to-4 job on salary instead of being available 24 hours a day, or to give up the practice of medicine as a dedication to caring for people.

J. I. Frederick Reppun MD
Editor



Continuing Medical Education

The Hawaii Medical Association does not review or evaluate the programs listed in the HAWAII MEDICAL JOURNAL Continuing Medical Education column and assumes no responsibility for educational value, scientific content, changes in agenda or cancellations.

LOCAL ACCREDITED PROGRAMS
ONGOING

For a complete list of ongoing programs, please refer to the March 1991 edition of the HAWAII MEDICAL JOURNAL. Further information is available through the individual institutions or through the HMA's CME Department.

SPECIAL EVENTS

All special events should be confirmed with the CME program sponsors, as cancellations are not necessarily reported to the HAWAII MEDICAL JOURNAL.

AUGUST

8/3-8/10
Ophthalmology for the Practicing Physician. Contact: B. Johnson, 213-342-2555, University of Southern California School of Medicine, 1975 Zonal Avenue, KAM 307, Los Angeles, CA 90033-9987. Location: Kamuela, Big Island of Hawaii.

8/11-8/21
34th Annual Postgraduate Refresher Course. Contact: B. Johnson, 213-342-2555, University of Southern California School of Medicine, 1975 Zonal Avenue, KAM 307, Los Angeles, CA 90033-9987. Location: Maui and Big Island of Hawaii.

8/13-8/17
Chronic Fatigue Syndrome: The Syndrome in Search of A Diagnosis. Contact: Southern California Neuropsychiatric Institute, 6794 La Jolla Blvd., La Jolla, CA 92037, 619-454-2102. Location: Mauna Kea Beach Hotel, Big Island of Hawaii.

8/16-8/20
Hot Spots in Dermatology. Sponsored by The Hawaii Dermatology Society and The Kauai Foundation for Continuing Education. Contact: David Elpern MD, PO Box 457, Kalaheo, Hawaii 96741, 808-332-7292. Location: Molokai.

8/23-8/25
First Annual Kaiser Permanente Emergency Medicine Conference: Advances in Emergency Medicine. Co-sponsored by the Hawaii Medical Association. Contact: Nathan Fujimoto MD, Kaiser Foundation Hospital-Hawaii, 3288 Moanalua Road, Honolulu, HI 96819, 808-834-9496. Location: Grand Hyatt Wailea, Maui.

8/23-8/26
****Health Matters: Social Economic and Philosophical Aspects of Health Care.** Contact: Pacific Health Research Institute, 846 S. Hotel Street, Suite 303, Honolulu, HI 96813, 524-4411. Location: Waiohai Hotel, Kauai.

OCTOBER

10/11-10/13
Hawaii Medical Association 135th Scientific Annual Meeting. Sponsored by the Hawaii Medical Association. Contact: Jennie Asato, Hawaii Medical Association, 1360 South Beretania Street, Honolulu, Hawaii 96814, 808-536-7702. Location: Westin Kauai.

1992

JANUARY

1/20-1/24
10th Annual Hawaii Conference on Gastrointestinal and Hepatic Diseases. Co-sponsored by Hawaii Medical Association; Queens Medical Center Cancer Institute. Contact: Gary Glober MD, Box 78; 1515 Holcombe, Houston, TX 77030, 713-792-2828. Location: Hyatt Waikoloa, Big Island of Hawaii.

MARCH

3/1-3/6
Hawaii 1992: 7th Annual Primary Care Medicine. Co-sponsored by Hawaii Medical Association. Contact: Valerie Murray, Pacific Institute of Continuing Medical Education, PO Box 1059, Koloa, HI 96756, 808-742-7471. Location: Stouffer Waiohai Beach Resort, Kauai.

3/8-3/13
Kauai 1992: A Week of Sports Medicine. Co-sponsored by Hawaii Medical Association. Contact Valerie Murray, Pacific Institute of Continuing Medical Education, PO Box 1059, Koloa, HI 96756, 808-742-7471. Location: Stouffer Waiohai Beach Resort, Kauai.

*All starred conferences are sponsored and/or co-sponsored by the John A. Burns School of Medicine. The John A. Burns School of Medicine, University of Hawaii at Manoa, is accredited by the Accreditation Council for Continuing Medical Education to sponsor continuing medical education for physicians. For registration information, please contact the sponsoring organization.